GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:293
ANSWERED ON:21.11.2000
ALLOTMENT OF ASSETS AND LIABILITIES TO NEW STATES
VARKALA RADHAKRISHNAN

Will the Minister of HOME AFFAIRS be pleased to state:

he steps so far taken by the Government in the matter of allocation of assets and liabilities to the newly created States?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (I.D. SWAMI)

The assets and liabilities of parent States are required to be apportioned keeping in view the principles enumerated in the various sections of the relevant State Reorganisation Act. Many of the assets and liabilities will pass to the successor States on the basis of their location/nexus. Some assets/liabilities are to be divided on the basis of the population ratio. Other assets and liabilities are to be apportioned by the successor States in agreement with each other. Only in the event of a dispute and reference being made, will the Government of India intervene and issue appropriate directions.